



**USAID | MACEDONIA**  
FROM THE AMERICAN PEOPLE



November 23, 2005  
Press office: +389 (0)2 308-0446  
Cell phone: +389 (0)70 323-807  
Email: [talbor@usaid.gov](mailto:talbor@usaid.gov)  
[www.usaid.org.mk](http://www.usaid.org.mk)

## PRESS RELEASE

### U.S.-Supported Study Shows Improvement in Commercial Legislation in Macedonia

Macedonia continues to show significant progress in meeting its reform agenda for commercial legislation, according to a study being prepared by the United States Agency for International Development's Corporate Governance and Company Law Project. The assessment shows that laws in key areas of commercial activity have consistently improved over the past five years, and now substantially meet international standards. These results are consistent with other recent findings on Macedonia's progress toward European Union membership.

The study – entitled "From Law to Practice: Macedonia's Implementation Challenge" – is the third Macedonian Commercial Law and Institutional Reform (CLIR) assessment conducted for USAID since 2000. The second, in 2003, also noted improvements in law while expressing concern over institutional reform.

As the title indicates, the 2005 study emphasizes the importance of implementation of the improved laws. Although a number of government institutions have made significant improvements (most notably the Customs Administration), the report notes that many of these reforms are still at their beginning stages.

According to the study, there have also been very positive developments through the appearance or strengthening of private sector associations and think tanks that analyze and advocate reforms. Continuing reform is needed in education and training to support Macedonia's changing legal and economic system.

The study finds that lack of effective reform in the judiciary has led to increased costs and risks for business, with a direct impact on economic growth and investment. However, the assessment is hopeful that recently adopted procedural and enforcement laws, once implemented, will have a substantial impact on the health of the Macedonian economy.

The report praises Macedonia's increasing use of participatory legislative drafting, such as the highly interactive process employed during the recent revisions of the company and bankruptcy laws. The report also finds that donor support has been an important factor in legislative improvements, and recommends that Macedonia now adopt a mandatory requirement for participatory lawmaking based on recent successes.

The Corporate Governance and Company Law Project will present the findings of the draft report on Tuesday, 23 November. The final report is expected to be released in December.

#### NOTES TO EDITORS:

The American people, through USAID, have invested more than \$400 million in Macedonia since 1993. More than 30 projects worth \$35 million a year are currently being implemented. These projects are designed to support Macedonia's transition to a free market-based, multi-ethnic democracy. They include initiatives to accelerate economic growth, develop democratic institutions, and educate citizens for a modern economy. USAID provides economic and humanitarian assistance in more than 100 countries. For more information please visit [www.USAID.org.mk](http://www.USAID.org.mk).